

CONFIDENTIAL
SECURITY INFORMATION

26 October 1951

MEMORANDUM FOR THE RECORD

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SUBJECT: Settlement of Contracts with [REDACTED]

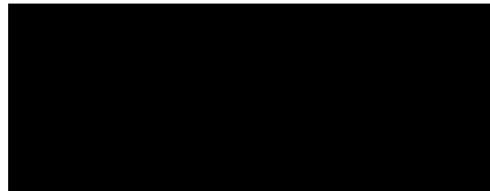
1. In a memorandum of 27 August 1951, to the Chief of Procurement, the Chief, Planning and Field Audit Branch, summarized the results of final audits of three contracts with [REDACTED] Company. The Audit Branch takes substantial exceptions to payments made, as the following summary shows:

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	<u>Total Costs Questioned</u>	<u>Balance Due Government</u>
PSC-105-UNV.	\$13,113.79	\$28,571.96
PSC-112-UNV.	7,408.87	
PSC- 91-UNV.	18,649.01	13,782.50

2. Question is raised as to profit percentages, royalty payments, engineering overhead, and G&A.

3. This audit report, and a previous report on these contracts dated 3 May 1951, are voluminous and detailed and will require that some experienced person in Procurement devote considerable time to their study and make recommendations. It is not immediately apparent who is capable and able to be spared to do this and similar jobs.



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OGC HAS REVIEWED.

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